

**NORTH CAROLINA DIVISION OF
AIR QUALITY**

Application Review

Issue Date: April ##, 2020

Region: Raleigh Regional Office
County: Chatham
NC Facility ID: 1900039
Inspector's Name: Matthew Mahler
Date of Last Inspection: 06/24/2019
Compliance Code: 3 / Compliance - inspection

Facility Data Applicant (Facility's Name): Southern Veneer Specialty Products, LLC - Moncure Facility Address: Southern Veneer Specialty Products, LLC - Moncure 306 Corinth Road Moncure, NC 27559 SIC: 2436 / Softwood Veneer And Plywood NAICS: 321212 / Softwood Veneer and Plywood Manufacturing Facility Classification: Before: Title V After: Title V Fee Classification: Before: Title V After: Title V				Permit Applicability (this application only) SIP: 15A NCAC 02D .0512, 02D .0515, 02D .0516, 02D .0521, 02D .0524, 02D .0614, 02D .0711, 02D .1100, 02D .1806 15A NCAC 02Q .0513 (renewal) NSPS: NSPS Dc, IIII, JJJJ NESHAP: GACT ZZZZ, 02Q .0317 of 02D .1111 PSD: NA PSD Avoidance: NA NC Toxics: NA 112(r): NA Other: NA					
Contact Data				Application Data					
Facility Contact Tom Reams EHS Manager (919) 275-3249 306 Corinth Road Moncure, NC 27559	Authorized Contact Rick Payne Plant Manager (919) 275-3249 306 Corinth Road Moncure, NC 27559	Technical Contact Tom Reams EHS Manager (919) 275-3249 306 Corinth Road Moncure, NC 27559	Application Number: 1900039.19B Date Received: 06/28/2019 Application Type: Renewal Application Schedule: TV-Renewal Existing Permit Data Existing Permit Number: 03424/T28 Existing Permit Issue Date: 03/19/2019 Existing Permit Expiration Date: 12/31/2019						
Total Actual emissions in TONS/YEAR:									
CY	SO2	NOX	VOC	CO	PM10	Total HAP	Largest HAP		
2018	0.8400	52.25	82.52	34.83	60.00	14.01	6.63 [Methanol (methyl alcohol)]		
2017	0.6900	43.01	70.06	31.03	54.64	12.34	6.01 [Methanol (methyl alcohol)]		
2016	0.6500	40.82	64.64	33.94	58.81	13.12	6.72 [Methanol (methyl alcohol)]		
2015	0.7100	44.84	63.28	26.61	60.73	13.26	7.09 [Methanol (methyl alcohol)]		
2014	0.7600	48.06	71.40	30.06	59.85	15.21	8.32 [Methanol (methyl alcohol)]		
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; vertical-align: top; padding: 5px;"> Review Engineer: Richard Simpson Review Engineer's Signature: </td> <td style="width: 50%; vertical-align: top; padding: 5px;"> Comments / Recommendations: Issue: 03424/T29 Permit Issue Date: April ##, 2020 Permit Expiration Date: March 31, 2025 </td> </tr> </table>								Review Engineer: Richard Simpson Review Engineer's Signature:	Comments / Recommendations: Issue: 03424/T29 Permit Issue Date: April ##, 2020 Permit Expiration Date: March 31, 2025
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1. Purpose of Application

Southern Veneer Specialty Products, LLC currently holds a Title V Permit No. 03424T28 with an expiration date of December 31, 2019 for a plywood manufacturing facility located in Moncure, Chatham County, North Carolina. The primary purpose of this application is for permit renewal. The renewal application 1900039.19A was received on July 1, 2019, which was at least six months prior to the expiration date, as required by General Permit Condition 3.K. The application was considered complete on that date. Therefore, the existing permit shall not expire until the renewal permit has been issued or denied. All terms and conditions of the existing permit shall remain in effect until the renewal permit has been issued or denied.

2. Facility Description

The Southern Veneer facility, which is located in Moncure, Chatham County, North Carolina, manufactures plywood from primarily hardwood (gum and poplar) veneer and pine veneer. The plywood ranges from 3 to 9 plies, and from $\frac{11}{32}$ -inch to $1\frac{1}{4}$ -inch thick. The facility receives trees, cuts them to length (10 feet), and debarks the wood. The bark is hammer milled, transferred to silos, and used as wood fuel. The logs are heated in steam vats for about 24 hours to soften. The more the logs are heated, the less glue is required. The logs are then sent to a spindle lathe. The lathe cuts continuous, thin sheets of veneer from each log. The 22-inch core of the log is sold as battens (for packaging). Wood chips are further processed for wood fuel or for sale to other wood products facilities. Veneers are cut into 4 feet x 8 feet pieces and then dried in dryers, glue is applied, pieces are aligned in the composer and lay-up lines, and then are pressed in the plywood presses. The plywood is then sawed to specifications and stacked for sale. Wood waste is used as fuel. Most of the plywood is used to construct upholstered furniture. The facility produces softwood plywood, hardwood plywood, and composite plywood (both softwood and hardwood). The actual production of the plywood typically occurs six days/week. The dryers typically operate five days per week, 24 hours per day. Presently, there are 100 employees at the facility.

3. History/Background/Application Chronology

March 19, 2019 – TV Air Permit No. **03424T28** was issued for a permit modification with a expiration date of December 31, 2019.

June 24, 2019 - The facility was inspected by Matthew Mahler from the Raleigh Regional Office. At the time of the inspection, the facility appeared to operate in compliance with all applicable regulations except for issues with recording and maintaining records from various sources.

January 21 – January 31, 2020 – Facility representative Thomas Reams and permit engineer Richard Simpson began preliminary permit renewal discussions through phone calls and emails to address any issues or updates to the permit.

February 14 – March 3, 2020 – The facility, Raleigh Regional Office, and Stationary Compliance Section were requested by the Permitting Section to comment on the renewal. Comments were received and included in the permit from DAQ.

March ##, 2020 – TVEE changes were approved by Ms. Jenny Sheppard TVEE Coordinator.

March ##, 2020 – DRAFT permit sent to public notice and EPA for review prior to issuance. The 30-day public comment period ended **April ##, 2020** with the receipt of no comments. The 45-day EPA review period ended **April ##, 2020** with the receipt of no comments.

April ##, 2020 – Permit 03424T29 was signed and issued.

4. Permit Modifications/Changes and TVEE Discussion

The following table lists all changes made for Southern Veneer Specialty Products, LLC – Moncure, from previous Air Permit No. 03424T28.

Page(s)	Section	Description of Change(s)
Cover and throughout	Throughout	Updated all tables, dates, and permit revision numbers.
Attachment	Insignificant Activities	Added an existing propane-fired emergency generator (17 KW) with ID No. IES-GEN1. The generator was portable but was modified to be stationary.
Attachment	Insignificant Activities	Added two plywood spreaders with ID Nos. IES-13-PS1 and IES-13-PS2.
Cover	Cover	Updated the Responsible Official to Mr. Rick Payne with appropriate address.
3, 16	Section 1, Section 2.1 D.	Renamed diesel-fired non-emergency generator to diesel-fired fire pump emergency engine (190 horsepower maximum power output). The source was reclassified as an insignificant activity. Changed ID No. from ES-23 to IES-23.
3	Section 1	Changed ES03-SS description from Strip saw to Wedge saw.
3	Section 1	Changed ES16 description from Plywood waste hog to Dry hog.
3, 10	Section 1 and Section 2.1 B.	Added “in series with” for cyclone CD-03-WWTC and bagfilter CD06.
3, 10	Section 1 and Section 2.1 B.	Deleted emission source ES03-SMS-2 and updated description since the source was removed from the facility.
3, 10	Section 1 and Section 2.1 B.	Deleted emission source “Tongue and groove plywood”, ID No. ES22 since it was removed from the facility.
3, 10	Section 1 and Section 2.1 B.	Deleted emission source “Paper overlay operation”, ID No. ES-13-PO since it was removed from the facility.
3, 10	Section 1 and Section 2.1 B.	Deleted emission source “Plywood spreader”, ID No. ES-13-PS since it was removed from the facility.
3, 10	Section 1 and Section 2.1 B.	Deleted emission source “25 panel hot press”, ID No. ES-13-25HP since it was removed from the facility.
3, 14	Section 1 and Section 2.1 C.	Deleted emission source “Edge sealer spray booth”, ID No. ES21 since it was removed from the facility.
6	Section 2.1 A.1.	Updated language with the DAQ shell Title V permit conditions for 15A 02D .0515: Particulates from Miscellaneous Industrial Processes.
6	Section 2.1 A.1.c.	Deleted testing requirement since the testing was completed.
7	Section 2.1 A.2.	Updated language with the DAQ shell Title V permit conditions for 15A 02D .0516: Sulfur Dioxide Emissions from Combustion Sources.
7, 12	Sections 2.1 A.3 and 2.1 B.2.	Updated language with the DAQ shell Title V permit conditions for 15A 02D .0521: Control of Visible Emissions.
11	Sections 2.1 B.1.	Updated language with the DAQ shell Title V permit conditions for 15A 02D .0512: Particulates from Miscellaneous Wood Products Finishing Plants.

14	Sections 2.1 B.3.c.	Deleted “and follow Method like procedures.”
21	Section 2.2 A.2.c.	Added required Title V permit condition language for 15A 02D .1100: Control of Toxic Air Pollutants.
23-32	General Conditions	The General Conditions were updated to the latest version of DAQ shell version 5.3 dated 08/21/2018.

There were changes made to the Title V Equipment Editor (TVEE) under this permit renewal.

5. Regulatory Review

The facility is currently subject to the following regulations. The permit will be updated to reflect the most current stipulations for all applicable regulations.

- 15A NCAC 02D .0515: Particulates from Miscellaneous Industrial Processes
- 15A NCAC 02D .0512: Particulates from Miscellaneous Wood Products Finishing Plants
- 15A NCAC 02D .0516: Sulfur Dioxide from Combustion Sources
- 15A NCAC 02D .0521: Control of Visible Emissions
- 15A NCAC 02D .0524: New Source Performance Standards – (40 CFR 60 Subpart IIII and JJJJ)
- 15A NCAC 02D .0614: Compliance Assurance Monitoring (CAM)
- 15A NCAC 02D .0958: Work Practices for Sources of Volatile Organic Compounds (VOCs)
- 15A NCAC 02D .1100: Control of Toxic Air Pollutants (TAPs)
- 15A NCAC 02D .1111: Maximum Achievable Control Technology – (40 CFR 63 Subpart ZZZZ)
- 15A NCAC 02D .1806: Control and Prohibition of Odorous Emissions
- 15A NCAC 02Q .0711: Emission Rates Requiring a Permit
- 15A NCAC 02Q .0317: Avoidance Conditions
(Avoidance limits under 15A NCAC 02D .1111: Major for Hazardous Air Pollutants)

An extensive review for each applicable regulation is not included in this document, as the facility’s status with respect to these regulations has not changed. For a discussion of MACT, CAM, and PSD requirements, see Section 6. The permit will be updated to reflect the most current stipulations for all applicable regulations. Minor updates and details to the permit are noted in the Table of Changes above.

6. NSPS, NESHAPS/MACT, NSR/PSD, 112(r), CAM

NSPS

The facility is subject to NSPS as discussed below.

40 CFR Part 60, Subpart Dc

Wood boiler (ID No. ES01-B) is subject to NSPS for Small Industrial, Commercial, Institutional Steam Generating Units, Subpart Dc, because the boiler commenced construction after June 9, 1989 and has a maximum design heat input capacity of less than 100 million Btu per hour but greater than or equal to 10 million Btu per hour. As required by NSPS Subpart Dc and incorporated into the permit, the facility is required to record the amounts of wood fuel fired in the source during each month. No regulatory changes to the permit are required under this permit renewal.

40 CFR Part 60, Subpart IIII

The diesel-fired fire pump emergency engine (ID No. IES-23) is subject to the notification, testing, recordkeeping, and reporting requirements of NSPS for Stationary Compression Ignition Internal Combustion Engines, 40 CFR 60, Subpart IIII. The existing diesel-fired water pump (ID No. IES-19) was installed before July 11, 2005 and therefore not subject to the requirements of 40 CFR Part 60, Subpart IIII.

40 CFR 60 Subpart JJJJ

The emergency generator (ID Nos. IES-GEN1) burns propane (LPG). The generator is rated at less than 19 KW and was manufactured after the applicability dates in the rule. As such, source is subject to NSPS Subpart JJJJ. The facility has purchased EPA certified engines to ensure compliance with 40 CFR 60.4231(c) under NSPS Subpart JJJJ.

NESHAPS/MACT

40 CFR Part 63 Subpart ZZZZ

The diesel-fired water pump (ID No. IES-19) and the fire pump emergency engine (ID No. IES-23) were constructed after June 10, 2006 and are considered new sources under MACT Subpart ZZZZ. As specified in 40 CFR 63.6590(c), the facility must meet the requirements of MACT Subpart ZZZZ by meeting the requirements of NSPS Subpart IIII for these engines where required. No further requirements under MACT Subpart ZZZZ apply.

Both of the diesel-fired water pumps (ID No. IES-19 and IES-23) have the potential to emit less than five tons per year (tpy) of criteria pollutants. The pumps are exempt from permitting per 02Q .0503(8), and are currently in the insignificant activities list. Even though the pumps are subject to a MACT, it can remain on the insignificant activities list in accordance with 15A NCAC 02Q .0503(8). However, the facility must meet the requirements of the Area Source MACT Subpart ZZZZ for the pumps.

PSD

The facility is classified as a PSD minor source because emissions of VOCs and PM₁₀ are limited in the permit to less than 250 ton per year each. The facility will continue being a minor PSD source as long as it stays a minor source for criteria pollutants.

112(r)

The facility is not subject to Section 112(r) of the Clean Air Act requirements because it does not store any of the regulated substances in quantities above the thresholds in the Rule. This permit renewal does not affect this status.

CAM

40 CFR Part 64 is applicable to any pollutant-specific emission unit, if the following three conditions are met:

- the unit is subject to any (non-exempt: e.g. pre November 15, 1990, Section 111 or Section 112 standard) emission limitation or standard for the applicable regulated pollutant.
- the unit uses any control device to achieve compliance with any such emission limitation or standard.
- the unit's precontrol potential emission rate exceeds either 100 tpy (for criteria pollutants) or 10/25 tpy (for HAPs).

Control devices that are subject to CAM include the multicyclone (ID No. CD02), cyclones (ID Nos. CD-03-WWTC and CD18), bagfilters (ID Nos. CD05 and CD06), and cartridge filter (ID No. CD21). This permit renewal does not affect this status.

7. Facility Wide Air Toxics Pollutants (State Enforceable Only)

Per 15A NCAC 02D .1100 for Control of TAPs, the facility has demonstrated a large margin of compliance with a modeling demonstration submitted on March 18, 2009. The TAPs emissions shall not exceed rates which cause acceptable ambient levels to be exceeded per 15A NCAC 02D .1100 and 15A NCAC 02Q .0711. Therefore, no monitoring, recordkeeping or reporting is required for this regulation. This permit renewal does not affect this status of these permit conditions.

8. Facility Emissions Review

There is no change in Title V potential emissions for this renewal. Actual emissions from previous years are listed on Page 1.

9. Compliance Status

On May 31, 2018, a Notice of Deficiency (NOD) was issued for exceeding the maximum allowable non-emergency hours for calendar year 2017 for your facility's fire pump emergency engine. The allowable non-emergency hours are prescribed under NSPS IIII and MACT ZZZZ. Other than being aware of the regulatory requirements and assuring that in the future non-emergency use hours remain at or below 50 hours per calendar year, there were no direct actions that needed to be taken as a result of the NOD.

On June 24, 2019, the facility was inspected by engineer Matthew Mahler from the Raleigh Regional Office and he noted several violations with the permit requirements. On July 15, 2019, a Notice of Violation was issued for not monitoring and recording various emission sources and control devices. The facility officially changed air permit ownership on March 19, 2019. Facility representatives indicated that much of the air quality environmental records were removed from site when Boise Cascade sold the company to Southern Veneer. Since the last inspection and NOV, the facility appeared to be in compliance with all applicable requirement of their Title V permit.

10. Public Notice/EPA and Affected State(s) Review

A thirty-day public notice period and a forty-five-day EPA review period is required for this renewal of the Title V permit. A notice of the DRAFT Title V Permit shall be made pursuant to 15A NCAC 02Q .0521. The notice will provide for a 30-day comment period, with an opportunity for a public hearing. Copies of the public notice shall be sent to persons on the Title V mailing list and EPA. Pursuant to 15A NCAC 02Q .0522, a copy of each permit application, each proposed permit and each final permit pursuant shall be provided to the EPA. Also pursuant to 02Q .0522, a notice of the DRAFT Title V Permit shall be provided to each affected State at or before the time notice is provided to the public under 02Q .0521 above

EPA's 45 Day Review period

Kelly Fortin (U.S. EPA, Region IV) was provided a PROPOSED permit for review on February ##, 2020. EPA 45-day review period ended on April ##, 2020. No comments were offered or received.

Public Notice

The 30-day public notice of the PROPOSED permit was posted on the NCDAQ website on February ##, 2020. No comments were offered or received.

11. Other Regulatory Considerations

- A P.E. seal was not required for the permit renewal.
- A consistency determination was not required for the permit renewal.
- An application fee was not required for the permit renewal.
- Chatham County has triggered increment tracking under PSD for PM₁₀, SO₂ and NO_x. However, this permit renewal does not consume or expand increments for any pollutants.

12. Recommendations

The permit renewal application for Southern Veneer Specialty Products, LLC - Moncure, Chatham County, North Carolina has been reviewed by DAQ to determine compliance with all procedures and requirements. DAQ has determined that this facility is complying or will achieve compliance, as specified in the permit, with all requirements that are applicable to the affected sources. The DAQ recommends the issuance of Air Permit No. 03424T29.